CHIEF OF STAFF



1401 Main Street, Suite 900 Columbia, SC 29201

Phone: (803) 737-0800 Fax: (803) 737-0801

DAWN M. HIPP DIRECTOR TELECOMMUNICATIONS, TRANSPORTATION, WATER/WASTEWATER

IMPORTANT REVISION

January 29, 2009

Subject:

Intrastate Universal Service Fund (USF) Docket No. 1997-239-C

Effective March 1, 2009 - Revised USF Factor Change for Fund Year 2008-2009

Dear Regulatory Manager,

As administrator of the Intrastate Universal Service Fund, ORS may periodically determine the level of contributions required and assessed to the various contributors to meet the distribution needs of the USF. In order to correct revenue reporting errors made by several companies, ORS must adjust the USF factor for fund year 2008-2009 to ensure proper fund operations.

The USF factor will increase from 3.4571% to 3.5707%.

The Public Service Commission of South Carolina's guidelines allow a carrier contributing to the intrastate USF to flow through its USF obligations to retail end users. The new factor should become effective on billings rendered on or after March 1, 2009.

Should you have any questions concerning the Intrastate USF, please contact Jim McDaniel at (803)737-0812 or me at (803)737-0814.

Sincerely,

Dawn M. Hipp

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Director